

1 SEC. 40. Section three hundred fifty-one point thirty-nine
2 (351.39), Code 1966, is hereby amended by striking from lines one (1)
3 and two (2) the words "county or city or town" and inserting in lieu
4 thereof the word "local".

1 SEC. 41. Section three hundred fifty-one point forty (351.40),
2 Code 1966, is hereby amended by striking from lines one (1) and two
3 (2) the words "county or city or town" and inserting in lieu thereof
4 the word "local".

1 SEC. 42. Section seven hundred thirty-four point one (734.1),
2 Code 1966, is hereby amended by striking from lines seven (7) and
3 eight (8) the words "or local health officer of the city, town, or town-
4 ship in which" and inserting in lieu thereof the words "in whose juris-
5 diction".

1 SEC. 43. Nothing in this Act shall be construed to impede, limit,
2 or restrict the right of free choice by an individual to the health care
3 or treatment that he may select.

Approved July 27, 1967.

This Act was passed by the G. A. before July 1, 1967.

CHAPTER 164

AREA HOSPITALS

H. F. 435

AN ACT to authorize the creation of area hospitals.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Any of the political subdivisions of this state may con-
2 solidate to acquire and operate an area hospital for the purpose of
3 providing hospital service for all residents of such area.

1 SEC. 2. As used in this Act:

2 1. "Political subdivision" means any county, township, school dis-
3 trict, city or town.

4 2. "Officials" means the respective governing bodies of political sub-
5 divisions.

6 3. "Merged area" means two (2) or more political subdivisions
7 which have merged resources to establish and operate an area hospital.

8 4. "Area hospital" means a hospital established and operated by a
9 merged area.

10 5. "Board" means the board of trustees of an area hospital.

1 SEC. 3. The officials of any political subdivision are hereby author-
2 ized to plan for the merger of an area to establish and operate an area
3 hospital; and in planning for such hospitals, a county board of super-
4 visors may exclude any township of the county which the board of
5 supervisors determines would not sufficiently benefit by the merger.
6 Plans for an area hospital shall include the maximum millage to be

7 levied in each political subdivision taking part in the merger, and the
8 maximum millage rates for the various political subdivisions may
9 vary as the officials determine, such variance to be based upon the
10 need for hospital service of the residents of each political subdivision,
11 the proximity of such residents to the proposed location of the hos-
12 pital, the property values within said subdivision, and the expected
13 service benefits to the residents of each subdivision by the proposed
14 area hospital.

1 SEC. 4. Officials of the various subdivisions may expend public
2 funds for the purpose of formulating plans and in carrying out plans
3 for a merged area and may arrive at an equitable distribution of costs
4 to be paid by each participating political subdivision.

1 SEC. 5. When a plan is approved, the officials approving such plan
2 shall jointly issue an order of approval. Such order shall specify the
3 area to be merged, the maximum millage levy in each political sub-
4 division, the proposed location of the hospital building, the estimated
5 cost of the establishment of the hospital and any other details con-
6 cerning the establishment and operation of the hospital they deem
7 pertinent. The order shall then be published in one or more news-
8 papers which have general circulation within the merged area for
9 once each week for three consecutive weeks, but the newspapers se-
10 lected need not be published in the merged area. Such published order
11 shall also contain a notice to the residents of each subdivision of the
12 proposed merged area that if they fail to protest as provided herein,
13 that the order shall be deemed approved upon the expiration of a sixty-
14 (60) day period following the last published notice.

1 SEC. 6. The plans formulated for the area hospital shall be deemed
2 approved unless, within sixty (60) days after the third and final pub-
3 lication of the order, a petition protesting the proposed plan contain-
4 ing the signatures of at least five (5) percent of the qualified voters
5 of any political subdivision within the proposed merged area is filed
6 with the respective officials of the protesting petitioners.

1 SEC. 7. When a protesting petition is received, the officials receiv-
2 ing the petition shall call a special election of all qualified voters of
3 that political subdivision for the purpose of approving or rejecting
4 the order setting out the proposed merger plan. The vote will be taken
5 by ballot in the form provided in section forty-nine point forty-three
6 (49.43) of the Code, and the election shall be initiated and held as
7 provided in chapter forty-nine (49) of the Code. A majority vote of
8 those qualified voters voting at said special election shall be sufficient
9 to approve the order and thus include the political subdivision within
10 the merged area.

1 SEC. 8. A protest petition filed in one political subdivision shall
2 have no effect upon the other political subdivisions of the proposed
3 merged area; and in the portion of the proposed area where no pro-
4 test petition is filed within sixty (60) days after the last published
5 notice, the residents of that portion of the area shall be deemed to
6 have approved the proposed plan, and shall not take part in any
7 special election.

1 SEC. 9. If the voters at the special election approve by a majority
2 vote the proposed plan, then the plan may be carried out as originally
3 proposed. However, if the voters of any political subdivision within
4 the proposed area reject the plan as set out in the original order, then
5 said original order shall be wholly nullified.

1 SEC. 10. Upon acceptance of a plan, the officials of the merged
2 area acting as a committee of the whole shall appoint a board of hos-
3 pital trustees. The board of trustees shall then meet, elect a chairman
4 and adopt such rules for the organization of the board as may be neces-
5 sary. The number and composition of the board shall be determined
6 by the committee appointing the board; but as a matter of public
7 policy the committee is directed to apportion the board into area dis-
8 tricts in such a way that the residents of all of the merged area will
9 be represented as nearly equally as possible on the board.

1 SEC. 11. The terms of members of the board shall be four (4)
2 years, except that members of the initial board shall determine their
3 respective terms by lot so that the terms of one-half ($\frac{1}{2}$) of the mem-
4 bers, as nearly as may be, shall expire at the next general election.
5 The remaining initial terms shall expire at the following general elec-
6 tion. The successors of the initial board shall be chosen from area
7 districts at regular elections, and shall be nominated and elected in the
8 same manner as county hospital trustees as provided in section three
9 hundred forty-seven point twenty-five (347.25) of the Code, except
10 that nomination papers on behalf of a candidate shall be signed by not
11 less than twenty-five (25) qualified electors from the area district,
12 and shall be filed with the board. When nominations are complete,
13 the board shall certify the names of the nominees to each county audi-
14 tor of the respective area districts.

1 SEC. 12. The board shall govern the operation and management of
2 the area hospital and are* hereby empowered to do all things neces-
3 sary to establish and operate said hospital and shall have all the gen-
4 eral powers, duties, and responsibilities of the trustees of county public
5 hospitals as set out in sections three hundred forty-seven point thir-
6 teen (347.13) and three hundred forty-seven point fourteen (347.14)
7 of the Code of Iowa.

1 SEC. 13. A hospital area formed under the provisions of this Act
2 shall be a body politic for the purpose of exercising powers granted
3 under this Act, and as such may sue and be sued, purchase and sell
4 property, and exercise all the powers granted by law and such other
5 powers as are incident to public corporations of like character and not
6 inconsistent with the laws of this state.

1 SEC. 14. The board shall prepare an annual budget designating
2 the proposed expenditures for operation of the area hospital, and the
3 amount to be raised by taxation, following the requirements of chap-
4 ter twenty-four (24) of the Code. The board shall prorate the amount
5 to be raised by local taxation among the respective political subdivi-
6 sions forming a part of the merged area in the proportion that the
7 value of taxable property in each political subdivision bears to the

*According to enrolled Act.

8 total value of taxable property in the area, but not in an amount which
9 would exceed the maximum millage levy set out in the published order
10 of merger. The board of hospital trustees shall certify the amount so
11 determined to the respective officials of the merged area, and said
12 officials shall levy a tax sufficient to raise the annual budget. Taxes
13 collected pursuant to such levy shall be paid by the respective officials
14 to the treasurer of the merged area hospital in the same manner that
15 school taxes are paid to local school districts.

1 SEC. 15. If the area hospital is located within the corporate limits
2 of any city or town, the city or town treasurer shall act as treasurer
3 of the area hospital; and if the area hospital is located outside the
4 limits of any city or town, the county treasurer shall act as the treas-
5 urer of the area hospital; provided however, the board may appoint
6 some other person to serve as treasurer. The board may require that
7 the treasurer furnish appropriate bond for faithful performance of
8 his duties.

1 SEC. 16. In addition to revenue derived by tax levy, the board of
2 hospital trustees of a merged area shall be authorized to receive and
3 expend:

4 1. Federal funds which may be available by federal laws, rules and
5 regulations.

6 2. State aid which may be available by state laws, rules and regula-
7 tions.

8 3. Fees and expenses charged to persons using the facilities of the
9 hospital.

10 4. Donations and gifts which may be accepted by the hospital trus-
11 tees and expended in accordance with the terms of the gift without
12 compliance with the local budget law.

1 SEC. 17. Boards of hospital trustees may acquire sites and erect
2 and equip buildings for use by area hospitals and may contract indebt-
3 edness and issue bonds to raise funds for such purposes in accordance
4 with chapter seventy-five (75) of the Iowa Code.

1 SEC. 18. Taxes for the payment of bonds issued under section
2 seventeen (17) of this Act shall be levied in accordance with chapter
3 seventy-six (76) of the Code, provided, however, that the total tax
4 levy for the annual budget and for bonds issued under this Act, shall
5 not exceed the maximum millage for each political subdivision as pro-
6 vided in the published order of merger. Any indebtedness incurred
7 shall not be considered an indebtedness incurred for general and ordi-
8 nary purposes as prescribed under section four hundred seven point
9 one (407.1) of the Code.

1 SEC. 19. In addition to the tax authorized in connection with the
2 annual budget and with the issuance of bonds, the voters in any merged
3 area may at any regular election vote a special tax for a period not to
4 exceed five (5) years for the purchase of grounds, purchase or con-
5 struction of buildings, purchase of equipment, and for the purpose of
6 maintaining, remodeling, improving, or expanding the hospital area.
7 Such a tax shall not exceed one-fourth ($\frac{1}{4}$) mill for each mill of the
8 maximum millage of each political subdivision as set out in the pub-

9 lished order of merger, but the total tax levy for annual budget, bonds,
10 and special purposes shall not exceed the maximum millage as pro-
11 posed in the published order of merger.

1 SEC. 20. In addition to any other provisions of this Act and for
2 the purpose of acquiring, constructing, equipping, enlarging or im-
3 proving a hospital building or any part thereof, merged areas may
4 issue revenue bonds as provided in section three hundred forty-seven
5 A point two (347A.2) of the Code.

Approved May 25, 1967.

CHAPTER 165

RESIDENT PHYSICIAN'S LICENSE

H. F. 139

AN ACT relating to the annual renewal of a license to practice as a resident physician or as a resident osteopathic physician and surgeon.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section one hundred forty-eight point five (148.5),
2 Code 1966, is amended by striking from lines sixteen (16) and seven-
3 teen (17) the words "for a period not to exceed six (6) additional
4 years".

1 SEC. 2. Section one hundred fifty A point nine (150A.9), Code
2 1966, is amended by striking from lines twenty-one (21) and twenty-
3 two (22) the words "for a period not to exceed six (6) additional
4 years".

1 SEC. 3. This Act, being deemed of immediate importance, shall be
2 in full force and effect from and after its passage and publication in
3 the Highland Park News, a newspaper published in Des Moines, Iowa,
4 and The Essex Independent, a newspaper published in Essex, Iowa.

Approved March 15, 1967.

I hereby certify that the foregoing Act, House File 139, was published in the Highland Park News, Des Moines, Iowa, March 23, 1967, and in The Essex Independent, Essex, Iowa, March 23, 1967.

MELVIN D. SYNHORST, *Secretary of State.*